

# **STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**



## **HOME INSPECTORS' LICENSING LAW**

### **TITLE 5 CHAPTER 65.1**

#### **DEPARTMENT OF ADMINISTRATION BUILDING CODE COMMISSION CONTRACTORS' REGISTRATION BOARD**

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## Table of Contents

<b>HOME INSPECTORS' LICENSING LAW .....</b>	<b>4</b>
<b>DIVISION 1 - CODE OF ETHICS .....</b>	<b>14</b>
<b>DIVISION 2 - DEFINITIONS .....</b>	<b>16</b>
<b>DIVISION 3 - STANDARDS OF PRACTICE .....</b>	<b>23</b>
3.1 INTRODUCTION .....	23
3.2 PURPOSE AND SCOPE .....	23
3.3 STRUCTURAL SYSTEM.....	24
3.4 EXTERIOR .....	24
3.5 ROOF SYSTEM.....	25
3.6 PLUMBING SYSTEM.....	26
3.7 ELECTRICAL SYSTEMS .....	27
3.8 HEATING SYSTEM .....	27
3.9 AIR CONDITIONING SYSTEMS .....	28
3.10 INTERIOR .....	28
3.11 INSULATION AND VENTILATION.....	29
3.12 FIREPLACES AND SOLID FUEL BURNING APPLIANCES.....	30
3.13 GENERAL LIMITATIONS AND EXCLUSIONS.....	30
<b>DIVISION 4 - ADMINISTRATION .....</b>	<b>33</b>
4.1 NOTICE OF PROPOSED REGULATION .....	33
4.2 TEMPORARY REGULATION.....	33
4.3 GENERAL PROCEDURES .....	33
4.4 HEARINGS POSTPONEMENTS .....	33
4.5 COMMISSION REPRESENTATION BY OFFICER OR EMPLOYEE.....	34
4.6 DELIVERY OF NOTICES.....	34
4.7 INFORMATION REQUESTS.....	34
4.8 RULES OF PROCEDURE FOR BOARD MEETINGS. ....	36
4.9 ETHICS POLICY .....	37
<b>DIVISION 5 - LICENSING .....</b>	<b>38</b>
5.1 APPLICATION: .....	38
5.2 HOME INSPECTION BUSINESS LICENSE .....	38
5.3 HOME INSPECTOR LICENSE .....	40
5.4 HOME INSPECTOR ASSOCIATE LICENSE .....	41
5.5 RECORD CHANGES.....	42
5.6 APPLICATIONS FOR LICENSES .....	42
5.7 RENEWAL AND REISSUE OF LICENSES.....	44
5.8 REVOCATION OR SUSPENSION OF LICENSES.....	44
<b>DIVISION 6 - COMPLAINTS.....</b>	<b>47</b>
6.1 FILING OF COMPLAINTS .....	47
6.2 INITIATION: .....	47
6.3 COMPLAINT FORMS: .....	47
6.4 INQUIRY AND INVESTIGATION:.....	48
6.5 REQUEST FOR RESPONSE AND BOARDS RESPONSE: .....	48
6.6 COMMISSION PROCEDURE FOR PROCESSING CLAIMS .....	48
6.7 INFORMAL CONFERENCE: .....	51
6.8 THE COMMISSION'S RIGHT TO REFUSE AND/OR DISMISS CLAIMS: .....	51
6.9 EXCEPTIONS TO COMMISSION ORDERS: .....	51

<b>DIVISION 7 - PROFESSIONAL COMPETENCE AND CONDUCT.....</b>	<b>53</b>
7.1 CIVIL PENALTIES: .....	53
7.2 SCHEDULE OF FINES.....	54
<b>DIVISION 8 - EXAMINATIONS.....</b>	<b>56</b>
8.1 COST: .....	56
8.2 SCORING: .....	56
8.3 CONTENT: .....	56
8.4 EXAMINATIONS:.....	57
8.5 STUDY AIDS:.....	57
<b>DIVISION 9 - CONTINUING EDUCATION .....</b>	<b>58</b>
9.2 INACTIVE LICENSE: .....	58
9.3 APPROVED COURSES:.....	58
9.4 CONTINUING EDUCATION ACTIVITIES: .....	58
9.5 VERIFICATION/APPROVAL OF CONTINUING EDUCATION ACTIVITIES:.....	59
9.6 EXTENSIONS OF TIME:.....	59
9.7 DENIAL OR WITHDRAWAL OF CREDIT: .....	59

# **STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**



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# STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

## Department of Administration



### RHODE ISLAND CONTRACTORS'

### REGISTRATION BOARD

### HOME INSPECTORS LICENSING LAW

### CHAPTER 65.1

**[Effective July 1, 2001]**

Section.	Description	Section	Description
5-65.1-1.	Short title	5-65.1-8.	Reciprocity
5-65.1-2.	Definition	5-65.1-9.	Fees
5-65.1-3.	Board – Powers of and duties.	5-65.1-10.	Insurance requirements.
5-65.1-4.	Eligibility for licensure as home inspector	5-65.1-11.	Grounds for discipline – injunctions
5-65.1-5.	Eligibility for licensure as associate Home inspector	5-65.1-12.	Licensing requirement and prohibitions.
5-65.1-6.	Identification cards and mandatory disclosures.	5-65.1-13.	Violation – penalties
5-65.1-7.	Applicability.	5-65.1-14.	Home inspector appointments to the Board.

## **Home Inspector Licensing Law**

**§ 5-65.1-1 Short title. [Effective July 1, 2001].** – This chapter shall be known and may be cited as the "Rhode Island Home Inspector Licensing Law".

**§ 5-65.1-2 Definitions. [Effective July 1, 2001].** – When used in this chapter:

(1) "Associate home inspector" means a person who is employed by a licensed home inspector to conduct a home inspection of a residential building on behalf of a client for a fee under the direct supervision of the licensed home inspector and is licensed pursuant to the provisions of this chapter.

(2) "Board" means the contractors' registration board.

(3) "Client" means any person who engages, or seeks to engage, the services of a home inspector for the purpose of obtaining an inspection of and written report upon the condition of a residential building.

(4) "Home inspector" means any person licensed as a home inspector to conduct a home inspection of a residential building on behalf of a client for a fee pursuant to the provisions of this chapter.

(5) "Home inspection" means an inspection and a written evaluation of the following readily visible and accessible components of a residential building: heating, cooling, plumbing, and electrical systems, structural components, foundation, roof, masonry structure, exterior and interior components and any other related residential housing components, unless the scope of the inspection is otherwise clearly limited in writing in the inspection report. Unless otherwise expressly agreed to in writing, a home inspection is based solely on observation of the readily visible and apparent condition of the foregoing components of a residential building as they exist on the date of the inspection, and it is not the purpose of the inspection to identify violations of or noncompliance with governmental codes or regulation. A home inspection shall, at a minimum, conform with any standards of practice promulgated by the board.

(6) "Public body" or "agency" means any executive, legislative, judicial, regulatory or administrative body of the state or any political subdivision thereof; including, but not limited to, public officials elected or appointed and any department, division, agency, commission, board, office, bureau, authority, any school, fire, or water district, or other agency or quasi-public agency of state or local government which exercises governmental functions.

(7) "Residential building" means a structure consisting of one to four (4) family dwelling units that has been occupied as a dwelling prior to the time when a home inspection is requested or contracted for in accordance with this chapter, but shall not include any structure newly constructed and not previously occupied.

## **Home Inspector Licensing Law**

**§ 5-65.1-3 Board – Powers of and duties. [Effective July 1, 2001.].** – (a) The board shall have the following powers and duties:

- (1) Administer and enforce the provisions of this chapter;
- (2) Issue and renew licenses to home inspectors and associate home inspectors pursuant to the provisions of this chapter;
- (3) Suspend, revoke, or fail to renew the license of a home inspector;
- (4) Sanction or administer qualifying examinations for home inspector and associate home inspector applicants, and establish competency requirements;
- (5) Establish standards for the continuing education of home inspectors;
- (6) Adopt and publish a code of ethics and standards of practice for licensed home inspectors and associate home inspectors;
- (7) Prescribe or change the charges for examinations and other services performed;
- (8) Adopt rules and regulations pursuant to the Administrative Procedures Act necessary to effectuate the purposes of this chapter; and
- (9) Hear contested claims or cases, contested enforcement proceedings, and contested administrative fines in accordance with the Administrative Procedures Act and, the administrative regulations promulgated by the board.

**§ 5-65.1-4 Eligibility for licensure as home inspector. [Effective July 1, 2001.].** – (a) To be eligible for licensure as a home inspector, an applicant shall fulfill the following requirements:

- (1) Be of good moral character;
  - (2) Have successfully completed high school or its equivalent;
  - (3) Have been engaged as a licensed associate home inspector for no less than one year, and have performed not less than one hundred (100) home inspections for compensation, or have been a registered/licensed contractor in good standing in any state for an aggregate of not less than five (5) years; and
  - (4) Have passed an examination approved or administered by the board. The examination may have been passed before the effective date of this chapter; or
- (b) For the first three hundred and sixty-five (365) days after the effective date of this chapter, the board shall issue a license to any person upon application, provided that the applicant meets:

- (1) The requirements of subdivisions (a)(1), (2) and (4), and either (i) has been engaged in the practice of home inspections for compensation for not less than one year prior to July 1, 2000 and has performed not less than one hundred (100) home inspections for compensation, prior to July, 2001, or (ii) is a registered/licensed contractor in good standing in any state for an aggregate of not less than five (5) years; or

## **Home Inspector Licensing Law**

(2) The requirements of subdivisions (a)(1) and (2) of this section and has been engaged in the practice of home inspections for compensation for not less than two years and performed not less than 150 home inspections for compensation prior to July 1, 2000.

### **§ 5-65.1-5 Eligibility for licensure as associate home inspector. [Effective July 1, 2001.].**

– (a) To be eligible for licensure as an associate home inspector, an applicant shall fulfill the following requirements:

- (1) Be of good moral character;
- (2) Have successfully completed high school or its equivalent;
- (3) Have assisted in not less than fifty (50) home inspections in the presence of a licensed home inspector; and,
- (4) Have passed an examination approved or administered by the board. The examination may have been passed before the effective date of this chapter.

### **§ 5-65.1-6 Identification cards and mandatory disclosures. [Effective July 1, 2001.]. –**

(a) Upon the issuance of a license by the board, an identification card shall also be issued to each licensed person.

(b) All licensees subject to the provisions of this chapter must include their license number on all advertising proposals, contracts, inspection reports, and invoices displayed in a conspicuous manner.

(c) Every written report of a home inspection provided to a client by a licensee must include:

(1) A notice that any complaints regarding the home inspection or the home inspector or associate home inspector who performed it may be directed to the board, and shall also include the current address and telephone number of the board.

(2) Where applicable, a disclosure that an inspection was performed by an associate home inspector.

**§ 5-65.1-7 Applicability. [Effective July 1, 2001.].** – (a) Any person who conducts a home inspection as defined by this chapter shall be licensed pursuant to this chapter, and comply with all the requirements of this chapter and any subsequent rules or regulations promulgated by the board.

(b) The provisions of this chapter shall not apply to the following provided the person does not hold him or herself out as a home inspector or one who performs home inspections as defined in this chapter:

(1) Any person who is employed by a governmental agency or public body and acting within the scope of that government employment;



## **Home Inspector Licensing Law**

(2) Any person regulated by the state as an architect, professional engineer, electrical contractor, or master plumber, who is acting within the scope of practice of his or her profession or occupation;

(3) Any state licensed real estate broker, broker-salesperson, or salesperson, who is acting within the scope of his or her profession;

(4) Any state licensed real estate appraiser or certified general or residential real estate appraiser, who is acting within the scope of his or her profession;

(5) Any person regulated by the state as an insurance adjuster, who is acting within the scope of his or her profession;

(6) Any person certified or registered as a pesticide applicator, who is acting within the scope of his or her profession;

(7) Any person performing an inspection under the supervision of a licensed home inspector for the purpose of meeting the requirements of subdivision (a)(3) of § 5-65.1-5 to qualify for licensure as an associate home inspector; and

(8) Any person registered/licensed as a contractor in good standing in any state acting within the scope of his or her occupation and experience.

(9) Any person conducting real estate inspections as a part of the insurance underwriting process.

**§ 5-65.1-8 Reciprocity. [Effective July 1, 2001].** – Upon payment to the board of requisite fee and submission of a completed application approved by the board, the board shall issue a home inspector license to any person who:

(1) Holds a valid license issued by another state or possession of the United States or the District of Columbia, which has standards substantially equivalent to those of this state as determined by the board; or

(2) Is licensed in this state as a state certified real estate appraiser or to practice architecture or professional engineering, provided the person meets the requirements set forth in subdivisions (a)(1), (a)(2), and (a)(4) of § 5-65.1-4.

**§ 5-65.1-9 Fees. [Effective July 1, 2001].** – (a) The board is hereby empowered and directed to establish a fee schedule for the application, continuing education, examination and re-examination of applicants for licensing; provided, however, that the fee for home inspector and associate home inspector licenses, and all subsequent renewals shall be two hundred dollars (\$200). All licenses issued by the board shall be valid for two (2) years.

(b) Any fees established, prescribed, or changed by the board shall be to the extent necessary to defray all proper expenses incurred by the board and any staff employed to administer this chapter, except that fees shall not be fixed at a level that will raise revenues in excess of the amount estimated to be so required.

## Home Inspector Licensing Law

(c) All fees and fines collected by the board shall be deposited as general revenues.

**§ 5-65.1-10 Insurance requirements. [Effective July 1, 2001.].** – (a) Every licensed home inspector and associate home inspector shall secure, maintain, and file with the board a certificate of insurance for an errors and omissions policy and a certificate of insurance for a general liability policy; both shall be for a minimum amount of two hundred and fifty thousand dollars (\$250,000) in the aggregate.

(b) Every proof of an errors and omissions or general liability policy required to be filed with the board shall not be effective unless it provides that the insurance may not be canceled until at least ten (10) days notice of intention to cancel or to not renew has been received in writing by the board.

**§ 5-65.1-11 Grounds for discipline – Injunctions. [Effective July 1, 2001.].** – (a) After hearing, in accordance with the administrative regulations promulgated by the board, the board may revoke, suspend, or refuse to issue, reinstate, or reissue a license if the board determines that a licensee or applicant has:

(1) Disclosed any information concerning the results of the home inspection without the approval of a client or the client's representatives;

(2) Accepted compensation from more than one interested party for the same service without the consent of all interested parties;

(3) Accepted commissions or allowances, directly or indirectly, from other parties dealing with their client in connection with the inspection for which the licensee is responsible;

(4) Failed to disclose promptly to a client information about any business interest of the licensee which may affect the client in connection with the home inspection;

(5) Obtained a license or authorization to sit for an examination, as the case may be, through fraud, deception, or misrepresentation;

(6) Engaged in the use or employment of dishonesty, fraud, deception, misrepresentation, false promise, or false pretense;

(7) Engaged in gross negligence, gross malpractice, or gross incompetence;

(8) Engaged in repeated acts of negligence, malpractice, or incompetence;

(9) Engaged in professional or occupational misconduct as may be determined by the board;

(10) Been convicted of any crime involving moral turpitude or any crime relating adversely to the activity regulated by the board. For the purpose of this subsection a plea of guilty, or nolo contendere shall be deemed a conviction;

(11) Had his or her authority to engage in the activity regulated by the board revoked or suspended by any other state, agency or authority for reasons consistent with this section;

## Home Inspector Licensing Law

(12) Attempted to limit liability for negligent or wrongful errors or omissions by use of a clause within a performance contract that limits the damages for negligent or wrongful errors or omissions;

(13) Failed to provide a written report of the completed home inspection;

(14) Violated or failed to comply with any order of the board or provisions of this chapter or any rule or regulation promulgated and administered by the board thereunder;

(15) Become incapable, for medical or any other material reason, of discharging the functions of a licensee in a manner consistent with the public's health, safety, and welfare;

(16) Failed to obtain or maintain the insurance required by § 5-65.1-10; or

(17) Knowingly assisted an unlicensed person to act in violation of this chapter.

(18) Failed to comply with the provisions of § 5-20.8-8.

(b) In addition to all other remedies, when it appears to the board that a person has engaged in, or is engaging in, any act, practice or transaction which violates the provisions of this chapter, the board may direct the attorney general to apply to the court for an injunction restraining the person from violating the provisions of this chapter.

(c) The board may, after a hearing, impose a fine in an amount not to exceed five hundred dollars (\$500) for the first violation of this chapter, or any rules or regulations promulgated by the board.

(2) For each second violation of a particular subsection of this chapter or of a rule or regulation promulgated by the board, a fine not to exceed one thousand dollars (\$1,000) may be imposed after a hearing by the board.

(d) The board, may, in lieu of a fine or other sanction, order a licensee to attend continuing education courses as appropriate. Failure to adhere to the requirement could result in immediate revocation of a license.

**§ 5-65.1-12 Licensing requirement and prohibitions. [Effective July 1, 2001].** – (a) Any person who provides, presents, calls or represents himself or herself as a home inspector for compensation shall be licensed in accordance with the provisions of this chapter.

(b) No person, not licensed as a home inspector or associate home inspector, shall advertise or hold himself or herself out as a home inspector, or impersonate a home inspector or associate home inspector.

**§ 5-65.1-13 Violations – Penalties. [Effective July 1, 2001].** – (a) Any person who violates a final order of the board is deemed guilty of a misdemeanor and, upon conviction, may be imprisoned for a term not exceeding one year, or fined not more than one thousand dollars (\$1,000) for each offense.

(b) In addition to any sentence or fine imposed by the court under subsection (a) of this section, the court may order a defendant to comply with any outstanding fine(s) previously

## **Home Inspector Licensing Law**

imposed by the board pursuant to this chapter. A final order of the board may also be enforced in a civil contempt proceeding brought upon complaint in the district court.

**§ 5-65.1-14 Home inspector appointments to the board. [Effective July 1, 2001].** – Notwithstanding any provisions in § 5-65-14 to the contrary, for a period of one year after the effective date of this chapter [July 1, 2001] the initial two (2) home inspectors appointed to the board are not required, at the time of their initial appointment, to be licensed under the provisions of this chapter, provided the appointed home inspectors have been engaged as home inspectors in this state for not less than five (5) years immediately preceding their appointment, and have performed not less than one thousand (1000) home inspections for compensation. Subsequent appointees to the board shall be licensed pursuant to this chapter and shall possess the foregoing minimum qualifications.

# STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS



## HOME INSPECTORS' LICENSING LAW

### ADMINISTRATIVE REGULATIONS STANDARDS OF PRACTICE CODE OF ETHICS, STANDARDS

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# State of Rhode Island and Providence Plantations

## Contractors' Registration Board Home Inspectors' Licensing

### **DIVISION 1 - CODE OF ETHICS**

#### **1.0 Code of Ethics**

Honesty, justice, and courtesy, form a moral philosophy, which associated with mutual interest among people, constitutes the foundation of ethics. The Inspector should recognize such a standard, not in passive observance, but as a set of dynamic principles, guiding their conduct. It is their duty to practice the profession according to this Code of Ethics.

As the keystone of professional conduct is integrity, the Inspector will discharge their duties with fidelity to the public, their clients, and with fairness and impartiality to all. Inspectors should uphold the honor and dignity of their profession and avoid association with any enterprise or questionable character, or apparent conflict of interest.

- 1.1** The Inspector will express an opinion only when it is based on practical experience, education and honest conviction.
- 1.2** The Inspector shall always endeavor in the best interest of the client and inspector's profession, to maintain and increase the level of knowledge, regarding new developments in the field of inspections.
- 1.3** The Inspector will not disclose or release any information concerning the results of the inspection, to anyone without the clients' authorization, unless the inspector finds that public health, safety, or welfare imperatively requires emergency action.
- 1.4** The Inspector will not accept compensation, financial or otherwise, from more than one interested party for the same service, without the consent of all interested parties.
- 1.5** The Inspector shall conduct business in a manner which will assure the client of the inspectors independence from outside influence and interest, which could compromise the inspectors' ability to render a fair and impartial opinion, regarding

any inspection performed. This does not prohibit the inspector from hiring sub-contractors, who are licensed, when required by law, to assist in an inspection.

- 1.6** The Inspector will not provide opinions on market value and real estate appraisals, unless so qualified.
- 1.7** The Inspector will not accept, nor offer, commissions or allowances directly or indirectly, from other parties dealing with their client in connection with work for which the inspector is responsible.
- 1.8** The Inspector will promptly disclose to the client, any interest in a business, which may affect the client. The inspector will not allow an interest in any business to affect the quality or the results of their inspection work, which they may be called upon to perform. The inspection work may not be used as a vehicle by the inspector to deliberately obtain work in another field.
- 1.9** The Inspector shall make every effort to uphold, maintain, and improve the professional integrity, reputation, and practice of the home inspection profession, and provide a full written or typed report with their inspections.
- 1.10** The Inspector may provide additional inspection services, if agreed to by the client.
- 1.11** The Inspector shall not engage in false or misleading advertising or otherwise misrepresent any matters to the public.
- 1.12** The Inspector shall not discriminate against anyone on the basis of age, creed, color, sex, sexual orientation, physical or mental handicap, or national origin.

## **DIVISION 2 - DEFINITIONS**

### **2.0 Definitions as used in these regulations:**

**Alarm Systems:** Warning devices, installed or freestanding, including but not limited to: carbon monoxide detectors, flue gas and other spillage detectors, security equipment, ejector pumps and smoke alarms.

**Architectural Service:** Any practice involving the art and science of building design for construction of any structure or grouping of structures and the use of space within and surrounding the structures or the design for construction, including but not specifically limited to, schematic design, design development, preparation of construction contract documents, and administration of the construction contract.

**Associate Home Inspector:** Is a person who is employed by a licensed home inspector to conduct a home inspection of a residential building on behalf of a client for a fee under the direct supervision of the licensed home inspector and is licensed pursuant to the provisions of RIGL 5-65.1.

**Board:** Means the Contractors' Registration Board established pursuant to the provisions of section 5-65-1 of Rhode Island General Laws.

**Building Official:** Official charged with administration and enforcement of the Rhode Island State Building Code.

**Commission:** Means the Building Code Commission supportive of the Contractors' Registration Board.

**Continuing Education Program:** A formal presentation such as a lecture or interactive session with specified learning objectives at which a licensee can earn CEU's approved by the Board based on criteria established in the rules and regulations.

**Client:** Is any person who engages, or seeks to engage, the services of a home inspector for the purpose of obtaining an inspection of and written report upon the condition of a residential building.



**Complaint:** The process whereby a complainant files on the form provided by the Board an action against a licensed or non-licensed home inspector.

**Component:** A part of a system.

**Common Elements:** All portions of a condominium other than the units.

**Condominium:** Real estate, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the owners of those portions. Real estate is not a condominium unless the undivided interests in the common elements are vested in the unit owners.

**Continuing Education Unit (CEU):** One continuing education course classroom hour, comprising of at least 50 minutes of instruction.

**Decorative:** Ornamental; not required for the operation of the essential systems and components of a home.

**Detached Structure:** Any structure in excess of 200 square feet; or connected to the primary dwelling by any of its essential elements. [All buildings regardless of size must be inspected if connected in anyway. ( ie. Electrical, Plumbing, Mechanical, etc.)]

**Describe:** to report system or component by its type or other observed, significant characteristics to distinguish it from other systems or components.

**Dishonest or fraudulent conduct injurious to the welfare of the public:** Includes, but is not limited to, the following: (a) acting in a manner that, because of a wrongful or fraudulent act by the applicant or licensee as an inspector, has resulted in injury or damage to another person; or (b) failing to pay monies when due for services rendered in connection with the applicant's or licensee operations as a home inspector or home inspection company; or (c) accepting payment in advance on a contract or agreement and failing to perform work or provide services required by the contract or agreement and failing to return the payment; or (d) giving false, misleading or deceptive advertising whereby a reasonable person could be misled or injured; or (e) submitting an application for licensing that includes false or misleading information.

**Dismantle:** To take apart or remove any component, device or piece of equipment that would not be taken apart or removed by a homeowner in the course of normal and routine homeowner maintenance.

**Employee:** Means any person permitted to work by an employer, who receives wages, except that independent contractors or subcontractors shall not be considered employees. [Documents such as W-2's, payroll taxes, and IRS forms, may be requested by the Commission to substantiate an employee status.]

**Employer:** Means any individual, firm, partnership, association, joint stock company, trust, corporation, receiver, or other like officer appointed by a court of this state, and any agent or officer of any of the above mentioned classes, employing any person in this state.

**Engineering Service:** Any professional service or creative work requiring engineering education, training and experience; and the application of special knowledge of the mathematical, physical and engineering sciences to such professional service or creative work as consultation, investigation, evaluation, planning, design and supervision of construction for the purpose of assuring compliance with the specifications and design, in conjunction with structures, buildings, machines, equipment, works or processes.

**Essential Items:** Areas such as, heating, plumbing, roofs, entrance, mechanical, electrical, and water that are mutually shared and directly attributed to the unit being inspected.

**Further Evaluation:** Examination and analysis by a qualified professional, tradesman or service technician beyond that provided by the home inspector.

**Home Inspector:** Any person licensed as a home inspector to conduct a home inspection of a residential building on behalf of a client for a fee pursuant to the provisions of chapter 65.1.

**Home Inspection:** An inspection and written evaluation of the following readily visible and accessible components of a residential building: heating, cooling, plumbing and electrical systems, structural components, foundation, roof, masonry structure, exterior and interior components and any other related residential housing components, unless the scope of the inspection is otherwise clearly limited in writing in the inspection report. Unless otherwise expressly agreed to in writing, a home inspection is based solely on observation of the readily visible and apparent condition of the foregoing components of a residential building as they exist on the date of the inspection, and it is not the purpose of such an inspection to identify violations of or noncompliance with governmental codes or regulations. A home inspection shall, at a minimum, conform to any Standards of Practice promulgated by the board.

**Home Inspection Company:** Any licensed home inspection business established whom employees or contracts a licensed home inspector or associate home inspector; or who subcontracts the inspection or any portion of the inspection.

**Household Appliances:** Kitchen, laundry, and similar appliances, whether installed or freestanding.

**Inactive License:** Is one, which has lapsed, expired, suspended, revoked, or surrendered.

**Inspect:** To examine readily accessible systems and components of a building in accordance with these standards of practice, using normal operating controls and opening readily operable access panels.

**Installed:** Attached such that removal requires tools.

**Limited Common Element:** A portion of the common elements allocated by the declaration or by operation of RIGL 34-36.1-2.02(2) or (4) for the exclusive use of one or more but fewer than all of the units.

**Nature and complexity:** Includes, but is not limited to the following meaning: (a) involves issues requiring legal interpretation of statutes in addition to Chapter 5-65.1 (i.e. contract law, corporate law, etc.): or (b) In the interest of fairness and equity, requires rulings on persons or entities outside the jurisdiction of the Commission; (c) Is outside the expertise of the commission.

**Normal Operating Controls:** Devices such as thermostats, or switches intended to be operated by the homeowner.

**Outbuilding:** A free standing structure less than 200-sq. ft. and not connected in anyway to the primary dwelling. (Unless mutually agreed to be part of the inspection by the client)

**Person:** Means a self-employed individual, a partnership, or a corporation.

**Public Body or Agency:** Any executive, legislative, judicial, regulatory or administrative body of the state or any political subdivision thereof: including, but not limited to, public officials elected or appointed and any department, division, agency, commission, board, office, bureau, authority, any school, fire, or water district, or other agency or quasi-public agency of state or local government which exercises governmental functions.

**Readily Accessible:** Available for visual inspection without requiring

Moving of personal property, dismantling, destructive measures, or any action which will likely involve risk to persons or property.

**Readily Operable Access Panel:** A panel provided for homeowner inspection and maintenance, which can be removed by one person, and is not sealed in place.

**Recreational Facilities:** Hot tubs, spas, saunas, steam baths, swimming pools, exercise, entertainment, athletic, playground or other similar equipment and associated accessories

**Report:** A written communication.

**Representative Number:** One component per room for multiple similar interior components such as windows and electric outlets: one component on each side of the building for multiple similar exterior components.

**Residence:** As defined in section 5-65-1 dwelling unit does not include:

(a) Commercial improvements or dwellings otherwise residential in nature used for commercial purposes, or

(b) Buildings primarily commercial which contain one to four apartment units or where the owners of the building provide medical care, supervision, counseling or other services to the residents of the structure.

A structure consisting of one (1) to four (4) family dwelling units that has been occupied as such prior to the time when a home inspection is requested or contracted for in accordance with chapter 5-65.1 of the General Laws, but shall not include any such structure newly constructed and not previously occupied.

**Roof Drainage Systems:** Components used to carry water off a roof and away from a building.

**Significantly Deficient:** Unsafe or not functioning.

**Shut Down:** A state in which a system or component cannot be operated by normal operating controls.

**Solid Fuel Burning Appliances:** A hearth and fire chamber or similar prepared place in which a fire may be built and which is built in conjunction with a chimney; or a listed assembly of a fire chamber, its chimney and related factory-made parts designed for unit assembly without requiring field construction.

**Structure:** Includes modular and mobile homes, which come within the jurisdiction of the Board as structures at the time they are placed on support blocking or permanent foundations in the place they will be used: see residence.

**Structural Component:** A component that supports non-variable forces or weights (dead loads) and variable forces or weights (live loads)

**Subcontractor:** Is a person who has a contract, either oral or written, with a home inspector, or home inspection company but not with the owner or buyer of the property to perform work subject to Chapter 5-65.1 and who is responsible for the entire inspection or a specific portion thereof.

**System:** A combination of interacting or interdependent components, assembled to carry out one or more functions.

**Technically Exhaustive:** An investigation that involves dismantling, the extensive use of advanced techniques, measurements, instruments, testing, calculations, or other means.

**The pursuit of an independent contractor as used:** Means that the person operates as an independent contractor. Evidence of operating as an independent contractor and not as an employee may include, but not limited to the following criteria: (a) Is free from close supervision by the home inspection company over the details of the work being performed, including hours of work; (b) Enters into a contract, either oral or written, which calls for the completion of certain work on a specific home inspection for which payment is made on a per-hour, time- and- material, barter, or entire job basis; (c) May have two or more effective contracts at any one time; (d) Hires and supervises other subcontractors and/or employees and may be responsible for business insurance and payroll taxes if help is hired; (e) Enters into a contract, either oral or written, which does not require the employer to consider remuneration paid to be wages for the purposes of unemployment compensation payments, or federal or state withholding; (f) Uses as normal business practices, telephone services, business cards, or commercial advertising; (g) Furnishes substantially all of the equipment, tools and supplies necessary to carry out contractual obligations.

**Under-floor Crawl Space:** The area within the confines of the foundation and between the ground and the underside of the floor.

**Unit:** A physical portion of the condominium designated for separate ownership of occupancy, the boundaries of which are described pursuant to RIGL 34-36.1-5(a)(5).

**Unsafe:** A condition in a readily accessible, installed system or component which is judged to be a significant risk of personal injury during normal, day-to day use. The risk may be due to damage, deterioration, improper installation or a change in accepted residential construction standards.

**Wages:** Shall mean all amounts at which the labor or services rendered is recompensed, whether the amount is fixed or ascertained on a time, task, piece, commission basis, or other method of calculation.

**Window Style Air Conditioner:** Any portable type of unit regardless of installation.

**Wiring Methods:** Identification of electrical conductors or wires by their general type, such as “non-metallic sheathed cable” (“Romex”), “armored cable” (“bx”) or “knob and tube”, etc.

## **DIVISION 3 - STANDARDS OF PRACTICE**

### **3.0 Standards of Practice**

#### **3.1 Introduction**

**3.1.1** The Contractor's Registration Board was established in 1990 and added to its' Board two new members, home inspectors, to govern the licensing of home inspectors in the State of Rhode Island. Effective July 1, 2001, all home inspectors and associate home inspectors must be licensed by the Board to perform fee paid home inspections. The State of Rhode Island objectives include promotion of excellence within the profession and continual improvement to the services provided to the public.

#### **3.2 Purpose and Scope**

**3.2.1** The purpose of these Standards of Practice is to establish a minimum and uniform standard for licensed and associate home inspectors. Home inspections performed to these Standards of Practice are intended to provide the client with information regarding the condition of the systems and components of the home as inspected at the time of the home inspection.

**3.2.2** The inspector shall:

A. Inspect:

1. Readily visible and accessible systems and components of homes listed in these standards of practice.
2. Installed systems and components of homes and items to determine at the time of the inspection that they are properly performing their intended function, with no regard to their future expected life as listed in these standards of practice.

B. Report:

1. Whether the house is occupied or not.
2. A written evaluation of all the items in the Standards of Practice to the client.
3. On those systems and components inspected which, in the professional opinion of the inspector is significantly deficient or is near the end of their service life.
4. Reason why, if not self-evident, the system or component is significantly deficient or near the end of its service life.

5. The inspector's recommendations whether to correct or monitor the reported deficiency.
6. On any systems and components, designated for inspection in these Standards of Practice, which were present at the time of the home inspection, but were not inspected and a reason they were not inspected.

**3.2.3** These Standards of Practice are not intended to limit inspectors from:

- A. Including other inspection services, systems, or components in addition to those required by these Standards of Practice.
- B. Specifying repairs provided the inspector is appropriately qualified and willing to do so.
- C. Excluding systems and components from the inspection, if requested by the client.

### **3.3 Structural System**

**3.3.1** The inspector shall:

- A. Inspect:
  1. The structural components, including foundations and framing.
  2. Areas above suspended ceilings by removing a representative number of ceilings tile.
  3. By probing a representative number of structural components where deterioration is suspected or where clear indications of possible deterioration exists. Probing is not required when probing would damage any finished surface.
- B. Describe:
  1. The foundation and report the method used to inspect the under-floor crawl space.
  2. The floor structure.
  3. The wall structure.
  4. The ceiling structure.
  5. The roof structures and reports the methods used to inspect the attic.

**3.3.2** The inspector is NOT required to:

- A. Provide any engineering service or architectural service.
- B. Offer an opinion as to the adequacy of any structural system or component.

### **3.4 Exterior**

**3.4.1** The inspector shall:



**A. Inspect:**

1. The exterior wall covering, flashing, and trim.
2. All exterior doors.
3. Attached decks, balconies, stoops, steps, porches, and their associated railings.
4. The eaves, soffits, and facias, where accessible from the ground level.
5. The vegetation, grading, surface drainage, and retaining walls on the property when any of these are likely to adversely affect the building.
6. Walkways, patios, and driveways, leading to dwelling entrances.
7. Visible exterior portions of chimneys.

**B. Describe:**

1. The exterior wall covering.
2. A representative number of visible windows, whether single or multiple glazing with or without storms.

**3.4.2 The inspector is NOT required to:**

**A. Inspect:**

1. Screening, storm windows, shutters awnings, and similar seasonal accessories.
2. Fences.
3. Geological, geotechnical or hydrological conditions.
4. Recreational facilities.
5. Outbuildings, as defined. ( unless mutually agreed to be part of the inspection by the client )
6. Seawalls, break-walls, and docks.
7. Errosion control and earth stabilization measures.

## **3.5 Roof System**

**3.5.1 The inspector shall:**

**A. Inspect:**

1. The roof covering.
2. The roof drainage systems.
3. The flashing.
4. The skylights, chimneys, and roof penetrations.

**B. Describe the roof covering and specifically report the methods used to inspect all areas of the roof.**

**3.5.2 The inspector is NOT required to:**

**A. Inspect:**

1. Antennae.
2. Interiors of flues or chimneys, which are not readily accessible.
3. Other installed accessories.
4. Or remove debris, snow, leaves, or any other conditions, which may limit observations of the roof surface and the roof components.

B. Walk on any roof surface.

## **3.6 Plumbing System**

### **3.6.1 The inspector shall:**

A. Inspect:

1. The interior water supply and distribution systems including all plumbing fixtures and faucets.
2. The drain, wastes, and vents systems including all fixtures.
3. The water heating equipment.
4. The vent systems, flues, and chimneys.
5. The fuel storage and fuel distribution systems.
6. The drainage sumps, sump pumps, and related piping.

B. Describe:

1. The water supply, public and private, drain, waste, and vent piping material.
2. The water heating equipment, including the energy source.
3. The location of main water and main fuel shutoff valves.

### **3.6.2 The inspector is NOT required to:**

### **3.6.3**

A. Inspect:

1. The clothes washing machine connections (hoses).
2. The interiors of flues or chimneys which are not readily accessible.
3. Wells, well pumps, or water storage related equipment.
4. Water conditioning systems.
5. Solar water heating systems.
6. Fire and lawn sprinkler systems.
7. Private waste disposal systems.

B. Determine:

1. Whether the waste disposal systems are public or private.
2. The quantity or quality of the water supplies.

3. Operate safety valves or shutoff valves.

## **3.7 Electrical Systems**

### **3.7.1 The inspector shall:**

#### **A. Inspect:**

1. The service drop.
2. The service entrance conductors, cables and raceways.
3. The service equipment and main disconnects.
4. The service grounding.
5. The interior components of service panels and sub panels.
6. The conductors.
7. The over current protection devices.
8. A representative number of installed lighting fixtures, switches, and receptacles.
9. The ground fault circuit interrupters.

#### **B. Describe:**

1. The amperage and voltage rating of the service.
2. The location of main disconnect(s) and sub panels.
3. The wiring methods.

#### **C. Report:**

1. On the presence of solid conductor aluminum branch circuit wiring.

### **3.7.2 The inspector is NOT required to:**

#### **A. Inspect:**

1. The remote controls devices unless the device is the only control device.
2. The alarm systems and components.
3. The low voltage wiring, systems and components.
4. The ancillary wiring, systems and components not a part of the primary electrical power distribution system.
5. Measure amperage, voltage, or impedance.

## **3.8 Heating System**

### **3.8.1 The inspector shall:**

#### **A. Inspect:**

1. The installed heating equipment.
2. The vent systems, flues, and chimneys.

B. Describe:

1. The energy source.
2. The heating method by its distinguishing characteristics.

**3.8.2** The inspector is NOT required to:

A. Inspect:

1. The interiors of flues or chimneys, which are not readily accessible.
2. The heat exchanger.
3. The humidifier or dehumidifier.
4. The electronic air filter.
5. The solar space heating system.

B. Determine heat supply adequacy or distribution balance.

C. Operate safety valves or shutoff valves.

## **3.9 Air Conditioning Systems**

**3.9.1** The inspector shall:

A. Inspect the installed central and through-wall cooling equipment.

B. Describe:

1. The energy source.
2. The cooling method by its distinguishing characteristics.

**3.9.2** The inspector is NOT required to:

A. Inspect electronic air filters.

B. Determine cooling supply adequacy or distribution balance.

C. Inspect window style air conditioning units.

D. Operate air conditioning equipment when the exterior temperature has been below 65 degrees F, or operate heat pumps in the heat mode when above 65 degrees F in the past 24 hours or when in the opinion of the inspector damage could occur to the system.

## **3.10 Interior**

**3.10.1** The inspector shall:

A. Inspect:

1. The walls, ceilings, and floors.
2. The steps, stairways, and railings.

3. The countertops and a representative number of installed cabinets.
4. A representative number of doors and windows
5. Garage doors and garage door operators, and other related safety equipment.

**3.10.2** The inspector is NOT required to:

A. Inspect:

1. The paint, wallpaper, and other finish treatments.
2. The carpeting.
3. The window treatments.
4. The central vacuum systems.
5. The household appliances.
6. Recreational facilities.

## **3.11 Insulation and Ventilation**

**3.11.1** The inspector shall;

A. Inspect:

1. The insulation and vapor retarders in unfinished spaces.
2. The ventilation of attics and foundation areas.
3. The mechanical ventilation systems.

B. Describe:

1. The insulation and vapor retarders in unfinished spaces.
2. The absence of insulation in unfinished spaces at conditioned surfaces.

**3.11.2** The inspector is NOT required to:

- A. Disturb insulation or vapor retarders.
- B. Determine indoor air quality.

## **3.12 Fireplaces and Solid Fuel Burning Appliances**

### **3.12.1** The inspector shall:

#### **A. Inspect:**

1. The system components.
2. The vent systems, flues, and chimney.

#### **B. Describe.**

1. The fireplaces and solid fuel burning appliances.
2. The chimneys.

#### **C. Notify the client that solid fuel burning appliances should be inspected by the local fire department.**

### **3.12.2** The inspector is NOT required to:

#### **A. Inspect:**

1. The interiors of flues or chimneys.
2. The fire screens and doors.
3. The seals and gaskets.
4. The automatic fuel feed devices.
5. The mantels and fireplace surrounds.
6. The combustion make-up air devices.
7. The heat distribution assists whether gravity controlled or fan assisted.

#### **B. Ignite or extinguish fires.**

#### **C. Determine draft characteristics.**

#### **D. Move fireplace inserts or stoves or firebox contents.**

## **3.13 General Limitations and Exclusions**

### **3.13.1** General limitations:

#### **A. Inspections performed in accordance with these Standards of Practice**

- 1 Are not technically exhaustive.
- 2 Will not identify concealed conditions or latent defects.

#### **B. These Standards of Practice are applicable to buildings with four or fewer dwelling units and their garages or carports that are attached.**

### 3.13.2 General exclusions:

- A. The inspector is NOT required to perform any action or make any determination unless specifically stated in these Standards of Practice, except as may be required by lawful authority.
- B. Inspectors are NOT required to determine:
  - 1. The condition of systems or components which are not readily accessible.
  - 2. The remaining life of any system or component.
  - 3. The strength, adequacy, effectiveness, or efficiency of any system or component.
  - 4. The causes of any condition or deficiency.
  - 5. The methods, materials, or costs of corrections.
  - 6. Future conditions including, but not limited to, failure of systems and components.
  - 7. The suitability of the property for any specialized use.
  - 8. Compliance with regulatory requirements (codes, regulations, laws, ordinances, etc.).
  - 9. The market value of the property or its marketability.
  - 10. The presence of potentially hazardous plants or animals including, but not limited to wood destroying organisms or diseases harmful to humans.
  - 11. The presence of any environmental hazards including, but not limited to toxins, carcinogens, noise, and contaminants in soil, water, and air.
  - 12. The effectiveness of any system installed or methods utilized to control or remove suspected hazardous substances.
  - 13. The operating costs of systems or components.
  - 14. The acoustical properties of any system or component.
- C. Inspectors are NOT required to offer:
  - 1. Or perform any act or service contrary to law.
  - 2. Or perform engineering services.
  - 3. Or perform work in any trade or any professional service other than home inspection.
  - 4. Warranties or guarantees of any kind.
  - 5. The advisability of the purchase of the property.
- D. Inspectors are NOT required to operate:
  - 1. Any system or component which is shut down or otherwise inoperable.
  - 2. Any system or component, which does not respond to normal operating, controls.
  - 3. Shut-off valves.

E. Inspectors are NOT required to enter:

1. Any area, which will, in the opinion of the inspector, likely be dangerous to the inspector or other persons or damage the property or its systems or components.
2. The under-floor crawl spaces or attics, which are not readily accessible.

F. Inspectors are NOT required to inspect:

1. Underground items including, but not limited to underground storage tanks or other underground indications of their presence, whether abandoned or active.
2. Systems or components, which are not installed.
3. Decorative items.
4. Systems or components located in areas that are not entered in accordance with these Standards of Practice.
5. Common elements or common areas in multiunit housing, such as condominium properties or cooperative housing, except essential items.

G. Inspectors are NOT required to :

1. Perform any procedure or operation, which will, in the opinion of the inspector, likely be dangerous to the inspector or other persons or damage the property or its systems or components.
2. Move personal property, furniture, equipment, plants, soil, snow, ice, or debris.
3. Dismantle any system or component, except as explicitly required by these Standards of Practice.



## **DIVISION 4 - ADMINISTRATION**

### **4.0 ADMINISTRATION**

#### **4.1 Notice of Proposed Regulation**

- 4.1.1** Before adopting, amending, or repealing any rule, the Board shall give notice of the proposed adoption, amendment, or repeal as required by the Administrative Procedures Act, Chapter 42-35.

#### **4.2 Temporary Regulation**

- 4.2.1** The Board Administrator may adopt, amend, or suspend a regulation as provided in Administrative Procedures Act, Chapter 42-35.

#### **4.3 General Procedures**

- 4.3.1** The Board adopts the Administrative Procedures Act, Chapter 42-35 as the procedures to be utilized for administrative hearings of the Board or administrative hearing officers.
- A. To be timely received, the following items must be received by the Commission within 20 days from the date a proposed order is mailed by the Commission:
1. A request for hearing;
  2. Exceptions to an Agency order.

#### **4.4 Hearings Postponements**

- 4.4.1** A postponement of a hearing may be granted at the request of a party if:
- A. The request is promptly made after the party receives the notice of hearing; and
- B. The party has good cause as stated in the request, for not attending the hearing at the time and date set. For the purposes of this section, good cause exists when:
1. The circumstances causing the request are beyond the reasonable control of the requesting party; and
  2. Failure to grant the postponement would result in undue hardship to the requesting party.
- C. The Executive Director or designee, upon receipt of documentation and within 24 hours of the hearing, may postpone the hearing for just cause.

## **4.5 Commission Representation by Officer or Employee**

- 4.5.1** Commission officers and employees may appear, on behalf of the Commission in compliance hearings involving the possible imposition of civil penalties, and in other compliance and claims hearings on an individual case basis.
- 4.5.2** When Commission officers or employees are representing the Commission in a hearing, the presiding officer shall advise such representative of the manner in which objections may be made and matters preserved for appeal. Such advice is of a procedural nature and does not change applicable law on waiver on the duty to make timely objection. Where such objections may involve legal argument, the presiding officer shall provide reasonable opportunity for commission officers or employees to consult legal counsel.

## **4.6 Delivery of Notices**

- 4.6.1** Time for response to all notices shall run from the date of mailing.
- 4.6.2** Unless otherwise agreed to by the Commission and the parties, the Commission shall schedule contested case hearings no sooner than 20 calendar days from the date the parties are notified of hearing.
- 4.6.3** Appeals or motions will be heard at the next Board meeting or as the calendar permits.

## **4.7 Information Requests**

- 4.7.1** Complaints filed with the Board will be classified under investigation, and shall be deemed to be confidential, and any information in regard to this complaint will not be provided by telephone inquiries or written request until such time as an investigator has had the opportunity to review the matter filed. Upon investigation and a determination that the complaint is valid, and upon sending the matter to an Administrative hearing, resulting in an order issued by the Commission; the information will become public record and remain on the inspectors' record, unless expunged to the Board. Those matters on appeal to the Board, which are found in the favor of the inspector, will be removed from public record.
- 4.7.2** The Commission will provide the following information in response to requests for license information relating to a specific person:
  - A. Whether or not the person is or has ever been licensed.

- B. The license number(s).
- C. The business names used by the entity of record with the Commission.
- D. Type of business organization (individual proprietorship, partnership, or corporation).
- E. Personal names of owners, partners, or corporate officers, and licensed home inspectors' or associates employed by the company.
- F. Last known address of person.
- G. Expiration date or date upon which the license became inactive and the reason it became inactive.
- H. The date the person first became licensed.
- I. Validity of insurance and company name.
- J. Number of proposed or final order complaints on computer record:
  - i. Status
  - ii. Type
  - iii. Date filed;
  - iv. Fines assessed.
- K. Any violations issued by the Board.

**4.7.3** The Commission shall provide certification of licensee or non-licensee relating to a specific entity upon written request and payment of required fee. This certification will include the following information:

- A. License number(s).
- B. Name of licensed person and any business names licensed with the commission.
- C. Type of business (individual proprietorship, partnership, or corporation).
- D. Personal names of owner, partners, or corporate officers, and licensed inspectors' employed by company.
- E. The important dates in the license history and the action that took place on those dates.

**4.7.4** If more information is required than that listed in Section (1 or 2) of this regulation the request for information should be made in writing. All requests for information should comply with R.I.G.L. 38-2-6, which disallows the commercial use of public records.

**4.7.5** If no complaints have been filed or if it appears to the Commission that the person about whom the inquiry is being made is non-licensed the caller will be given this information by telephone.

**4.7.6** The Commission may impose the following charges for records and filing fees:

- A. \$10.00 for each certification that an entity has or has not been licensed with the Board.
- B. \$10.00 for certified copies of documents.
- C. \$5.00 for every 35 copies made, or 15 cents per copy.
- D. \$30.00 per tape for duplicates tape recordings of Commission hearings.
- E. \$20.00 for a quarterly list of licensees, or computer disks, except that the list will be provided free of charge to city and state building departments.
- F. Charge as determined by production cost for mailing labels of licensees.
- G. The Commission shall not refund fees or civil penalties, unless an administrative error occurred.
- H. When an applicant fails to complete the license or renewal process within six months of the date the application was received by the Commission, the Commission may retain fee.
- I. A filing fee of \$50.00 shall be imposed for any claims filed with the Board for processing; such fee shall be paid by the non-prevailing party.
- J. A fee of \$75.00 is imposed for any administrative appeal or action.

## **4.8 Rules of Procedure for Board Meetings.**

### **4.8.1 The Board adopts the following rules of procedure for its meetings.**

- A. A quorum shall be five (5) members. A majority of affirmative votes among the members present are required for any official action or decision of the Board. A quorum must be present for the Board to be called to order and to make decisions. Except in cases where a member's vote would result in a prejudiced, biased, or unfair decision or action, no member shall abstain from voting.
- B. In accordance with applicable governing statutes, the chair shall establish the time, date, and place for the Board to convene. Proper notice of all meetings, hearings, and matters requiring notice shall be given to the members of the Board, and all interested persons requiring notice in accordance with R.I. General Laws.
- C. The chair shall work with the Board's Executive Director to determine the substance of the agenda for each meeting. The order of business shall be:
  - 1. Call to order.
  - 2. Approval of agenda and order of business.
  - 3. Approval of minutes of previous meetings.
  - 4. Consideration of complaints on appeal and oral argument.
  - 5. Report of Executive Director and staff.
  - 6. Old business.
  - 7. New business.
  - 8. Public comment.

9. Announcements.

10. Adjournment.

- D. Members of the public wishing to testify before the Board at public meetings on issues relevant to its business shall sign a registration form.
- E. If any person engages in disruptive conduct at a meeting, such conduct shall be grounds for the chair to expel the person from the meeting.
- F. The chair shall exercise all the rights and duties of other members, including the right to introduce motions and proposals and to speak and vote on them while presiding.
- G. No member of the Board shall speak or act on behalf of the Board without specific authorization by law or by the Board. The Board shall not delegate its statutory rule making authority, except to an officer or employee within the Commission who shall be authorized by the Board to adopt temporary regulations pursuant to A.P.A. (The Administrative Procedures Act) R.I. General Law 42-35-3(5)(b).

## **4.9 Ethics Policy**

- 4.9.1** The Board is subject to the ethics policy as established by Chapter 36-14 of the General Laws.

## **DIVISION 5 - LICENSING**

### **5.0 Licensing**

#### **5.1 Application:**

Licensing is required for the following - Home Inspection Business, Home Inspectors, and Associate Home Inspectors.

#### **5.2 Home Inspection Business License**

**5.2.1** A certificate of license will be issued to one person only. Other persons shall not be included in that license, but each shall be separately licensed and shall separately meet the requirements of licensing. No entity may perform work subject to Chapter 5-65.1 through the use of another person's license.

**5.2.2** License shall be limited to residential work as established by law.

**5.2.3** If a person licensed as an individual, partnership, or corporation, seeks to change to another person the former license will be terminated the new person must license anew.

##### **A. License Requirements:**

1. Submit application form, supporting information such as corporation papers, insurance requirements, and the appropriate fee of \$100 for a two-year period, for a business license.
2. Identify the licensed home inspector (s), or associate home inspector(s) to be employed or subcontracted.
3. Maintain the services of at least one licensed home inspector. In the event of the resignation or termination of said home inspector the business must notify the commission in writing within five (5) business days and refrain from engaging in any home inspections until obtaining the services of another licensed home inspector in this state.
3. Each home inspection business must maintain and provide to the board a list of the licensed home inspectors employed or subcontracted who perform inspections on behalf of said business. The commission is to be notified of any changes within (5) business days.

- 5.2.4** All partners within a partnership shall be on record with the Board. Partnerships consisting of spouses shall be treated as partnerships consisting of unrelated persons. Notification must be made to the Commission for any change in the composition of that partnership; except for the reallocation of interest among the existing partners.
- 5.2.5** Each person shall list on its application for license or renewal, all business names under which business home inspections are to be conducted.
- 5.2.6** A home inspection license is valid for the term for which it is issued only if the following conditions are met throughout the licensing period:
- A. The insurance required by Section 5-65.1-10 remains in effect; and
  - B. If the licensee is an individual, survival of that individual; or
  - C. If the licensee is a partnership, no change in the composition of that partnership, by death or otherwise; or
  - D. If the licensee is a corporation, survival of that corporation, including compliance with all applicable laws governing the corporation.
- 5.2.7** An applicant for a license or renewal shall certify that the applicant has procured insurance as required by Section 5- 65.1-10 and will continue to meet those insurance requirements for as long as the applicant is licensed. This certification constitutes satisfactory evidence of insurance and is in lieu of any other evidence of insurance.
- A. If the requirements of section (3) have been met, and the Commission receives a notice of cancellation, the Commission may send a notice to the licensee, by regular mail, reminding the licensee of the obligation imposed by the licensee's insurance certification.
  - B. The licensee shall maintain the insurance required by Section 5- 65.1-10 in effect continuously until the license is terminated, revoked, or expired. If the licensee, in performance of work subject to Chapter 5-65-1 through failure to comply with this subsection, causes damage to another entity; or performed inspections without insurance, or to the property of another person for which that entity could have been compensated by an insurance company had the required insurance been in effect, the Commission may assess a civil penalty against the licensee in an amount up to \$1,000.00 in addition to such other action as may be taken under Section 5-65.1.
  - C. It is the responsibility of the licensee to assure insurance certificates are maintained and are on file with the Contractors' Registration Board.

## **5.3 Home Inspector License**

- 5.3.1** To be eligible for a license as a home inspector, an applicant shall fulfill the following requirements:
- A. Be of good moral character;
  - B. Have successfully completed high school or its equivalent;
  - C. Have been engaged as a licensed associate home inspector for no less than (1) one year, and have performed not less than one hundred (100) home inspections for compensation, or have been a registered/licensed contractor in good standing in any state for an aggregate of not less than five (5) years; and
  - D. Have passed an examination approved or administered by the board. The examination may have been passed before the effective date of this chapter; or
  - E. For the first three hundred and sixty-five (365) days after the effective date of Chapter, 5.65.1 the board shall issue a license to any person upon application, provided that the applicant meets:
    - i. The requirements of A,B,D and either (i) has been engaged in the practice of home inspections for compensation for not less than one (1) year prior to July 1, 2000 and has performed not less than one hundred (100) home inspections for compensation, prior to July, 2001 or (ii) is a registered/licensed contractor in good standing, as determined by the board, in any state for an aggregate of not less that five (5) years; or
    - ii. The requirements of section A, and B are met and the applicant has been engaged in the practice of home inspections for compensation for not less than two years and performed not less than 150 home inspections for compensation prior to July 1, 2000.
- 5.3.2** A person whose license has lapsed is considered unlicensed from the date the lapse occurred until the date the license is renewed, reissued, or reinstated. During a period of lapse, the person shall not perform the work of a home inspector.
- 5.3.3** If a license becomes invalid, or lapses, the Commission requires the return of the license and identification card(s).
- 5.3.4** No person shall advertise or otherwise hold out to the public that person serves as a home inspector unless that person holds a current, valid license, nor shall any person claim by advertising or by any other means to be licensed unless that person holds a current, valid license issued by the board.



- A. All advertising for work subject to Chapter 5-65.1 prepared by a home inspector or at the home inspector's request or direction shall show the business license number.
- B. All written contracts subject to Chapter 5-65.1 shall show the business license number, and inspectors license number.
- C. All telephone directory space ads and display ads shall show the business license number.

**5.3.5** The fee for home inspector license is \$200.00 every two years and the renewal fee is the same. A late fee of \$25.00 plus \$5.00 per month shall be charged for any renewal, reissued, or reinstatement received by the Commission after the expiration date. Any licensee who fails to surrender their license will be charged \$5.00 per month up to two years in addition to the late fee assessment. If a card is surrendered and the licensee wishes to reinstate, no additional charge will be administered. If a card is surrendered it will not be reissued without penalty for a period of 90 days. For the period of lapse in license if work is performed, licensee may be subject to a violation. All other fees for testing or courses will be the responsibility of the licensee.

**5.3.6** Reciprocity with other state shall be limited to those states that have requirements substantially equivalent to those established in these rules and regulations and are subject to the boards review and approval.

**5.3.7** Age - Any person (18) year of age or older who meets these requirements may apply.

## **5.4 Home Inspector Associate License**

**5.4.1** To be eligible for a license as an associate home inspector, an applicant shall fulfill the following requirements:

- A. Is of good moral character;
- B. Have successfully completed high school or its equivalent;
- C. Have assisted in not less than fifty (50) home inspections in the presence and under direct supervision of a licensed Rhode Island home inspector.
- D. Have passed an examination approved or administered by the board. The examination may have been passed before the effective date of this chapter.

**5.4.2** A person whose license has lapsed is considered invalid from the date the lapse occurred until the date the license is renewed, reissued, or reinstated. During a period of lapse, the person shall not perform the work as an associate home inspector.

- 5.4.3** If a license becomes invalid, or lapses, the commission requires the return of the license and identification card(s).
- 5.4.4** No associate home inspector shall advertise.
- 5.4.5** All written contracts subject to 5-65.1 shall show the associate home inspector license number.
- 5.4.6** The fee for an associate license is \$200.00 every two years and the renewal fee is the same.
- 5.4.7** A late fee of \$25.00 plus \$5.00 per month shall be charged for any renewal, reissued, or reinstatement received by the commission after the expiration date. Any licensee who fails to surrender their license will be charged \$5.00 per month up to two years in addition to the late fee assessment. If a card is surrendered and the licensee wishes to reinstate, no additional charge will be administered. If a card is surrendered it will not be reissued without penalty for a period of 90 days. For the period of lapse in license if work is performed, licensee may be subject to violation. All other fees for testing or courses will be the responsibility of the licensee.
- 5.4.8** Age - Any person (18) year of age or older who meets these requirements may apply.

## **5.5 Record Changes**

- 5.5.1** Requests for record modifications necessitating a license change shall be accompanied by a \$10.00 fee.
- 5.5.2** No charge will be made for address changes on the record.

## **5.6 Applications for Licenses**

- 5.6.1** The application required together with the fee shall be on file with the Commission before a license may be issued, except as provided in these regulations.
- 5.6.2** The effective date of the license or renewal may be prior to the date of receipt of all documents and/or fees required by law and by these regulations if the Commission determines that delays in receipt of required documents and/or fees were caused by a Commission error.

- 5.6.3** An applicant for a license or renewal shall certify that the applicant has procured insurance as required by Section 5- 65.1-10 and will continue to meet those insurance requirements for as long as the applicant is licensed. This certification constitutes satisfactory evidence of insurance and is in lieu of any other evidence of insurance.
- A. If the requirements of section (3) have been met, and the Commission receives a notice of cancellation, the Commission may send a notice to the licensee, by regular mail, reminding the licensee of the obligation imposed by the licensee's insurance certification.
  - B. The licensee shall maintain the insurance required by Section 5- 65.1-10 in effect continuously until the license is terminated, revoked, or expired. If the licensee, in performance of work subject to Chapter 5-65-1 through failure to comply with this subsection, causes damage to another entity; or performed inspections without insurance, or to the property of another person for which that entity could have been compensated by an insurance company had the required insurance been in effect, the Commission may assess a civil penalty against the licensee in an amount up to \$1,000.00 in addition to such other action as may be taken under Section 5-65.1.
  - C. It is the responsibility of the licensee to assure insurance certificates are maintained and are on file with the Contractors' Registration Board.
- 5.6.4** A complete application for home inspector license includes:
- A. A completed application on the proper forms provided by the commission; (The commission may return an incomplete application for a license to the applicant with an explanation of the deficiencies. Returned forms may be subject to late filing fees.)
  - B. The certification of liability and errors in omission insurance coverage with an indication that the insurance agent or company shall directly notify the Commission, being a certificate holder; upon termination of insurance coverage;
  - C. The application fee; \$200.00 for a two year period;
  - D. Verification that the licensee has passed the appropriate examination as determined by the board;
  - E. Verification that the proper number of home inspections have been performed and an affidavit certifying inspections;
  - F. Verification that the required continuing education units have been completed upon renewal of license.

- 5.6.5** The Commission effective the date on which all fees required by law have been paid and all documents required by law and by these regulations are on file with the Commission may issue a license.
- 5.6.6** If a license is lost, misplaced or destroyed, the licensee shall file an affidavit to that effect and for a fee of \$25.00, it may be reissued.
- 5.6.7** Reciprocity will not be granted to individuals residing in the State of Rhode Island; for a Home Inspectors License for Rhode Island

## **5.7 Renewal and Reissue of Licenses**

- 5.7.1** A license may be reissued upon the applicant's completion of the renewal or application form prescribed by the Commission and upon payment of the fee or fees, and if it appears to the Commission that the applicant has supplied the required certification of insurance coverage.
- 5.7.2** All licenses issued by the Board expire on first day of the month, from the date issued, and will be valid for a period of two years.
- 5.7.3** The effective date of reissue shall be the date all requirements for licensing, including submission of a certification of insurance coverage, and payment of the renewal and late fees.
- 5.7.4** A licensee who fails to meet the requirements for renewal as established is not authorized to conduct home inspections for compensation, nor use the title licensed home inspector during the period in which the license is expired.
- 5.7.5** If a licensee fails to renew, from expiration date, within a year, the board may grant renewal upon its discretion if the licensee completes all continuing education requirements, pays appropriate fees, and meets all other terms as set forth in these rules and regulations

## **5.8 Revocation or Suspension of Licenses**

- 5.8.1** If the Commission adjudges one or more complaints against a licensee, which that person fails to fulfill, the Commission may revoke, suspend, or refuse to issue or reissue a license, after a hearing. Revocations will be conducted in accordance with the Administrative Procedures Act, Chapter 42- 35 of the General Laws as amended.

The Executive Director may reissue, or allow suspended licenses reinstatement upon proof of compliance to all outstanding orders issued by the Board, and settlements. Disciplinary action may be taken if the board determines that a licensee or applicant has:

- A. Disclosed any information concerning the results of the home inspection without the approval of a client or the client's representatives;
- B. Accepted compensation from more than one interested party for the same service without the consent of all interested parties;
- C. Accepted commissions or allowances, directly or indirectly, from other parties dealing with their client in connection with the inspection for which the licensee is responsible;
- D. Failed to disclose promptly to a client information about any business interest of the licensee, which may affect the client in connection with the home inspection;
- E. Obtained a license or authorization to sit for an examination, as the case may be, through fraud, deception, or misrepresentation;
- F. Engaged in the use or employment of dishonesty, fraud, deception, misrepresentation, false promise, or false pretense;
- G. Engaged in gross negligence, gross malpractice, or gross incompetence;
- H. Engaged in repeated acts of negligence, malpractice, or incompetence;
- I. Engaged in professional or occupational misconduct as may be determined by the board;
- J. Been convicted of any crime involving moral turpitude or any crime relating adversely to the activity regulated by the board. For the purpose of this subsection a plea of guilty, or nolo contendere shall be deemed a conviction;
- K. Had his or her authority to engage in the activity regulated by the board revoked or suspended by any other state, agency or authority for reasons consistent with this section;
- L. Attempted to limit liability for negligent or wrongful errors or omissions by use of a clause within a performance contract that limits the damages for negligent or wrongful errors or omissions;
- M. Failed to provide a written report of the completed home inspection within seven (7) days of the date of the inspection.
- N. Violated or failed to comply with any order of the board or provisions of the chapter of law governing home inspectors or any rules and regulations promulgated and administered by the board;
- O. Become incapable, for medical or any other material reason, of discharging the functions of a licensee in a manner consistent with the public's health safety and welfare;
- P. Failed to obtain or maintain the insurance required by section 5-65-1-10; or

- Q. Knowingly assisted an unlicensed person to act in violation of 5-65.1;
- R. Failure to comply with the provision of section 5-20.8-8:
- S. In addition to all other remedies, when it appears to the board that a person has engaged in, or is engaging in, any act, practice or transaction which violates the provisions of chapter 5-65.1, the board, may direct the attorney general to apply to the court for an injunction restraining the person from violating this law.
- T. Such that could result in harm or injury to the public; engaged in activity without having a current license, either performed home inspections for compensation or claimed to be licensed.

- 5.8.2** License numbers previously issued may be reissued by the Executive Director three (3) years from the date a person dies, business is dissolved, retirement occurs, bankruptcy is filed, or license is surrendered, or not renewed.
- 5.8.3** In order to expunge the record of any proposed or final orders the licensee may petition the Board to withdraw this information from the record. Upon reviewing the matter and discussion, and a determination by the Board; the Executive Director may delete this public information for just cause.
- 5.8.4** If a licensee's number is fraudulently used, or modifications made to the licensing card, a penalty of \$1,000.00 may be imposed, to the appropriate party.
- 5.8.5** Action on a business license may preclude future licenses or action on other business licenses held by the same principals concurrently.

## **DIVISION 6 - COMPLIANTS**

### **6.0 Complaints**

#### **6.1 Filing of Complaints**

- 6.1.1** Complaints will be accepted against home inspectors; or anyone engaged in this practice.
- 6.1.2** Complaints will be accepted only for work performed within the boundaries of the State of Rhode Island.
- 6.1.3** A non-refundable filing fee of \$50.00 will be required to process the complaint.
- 6.1.4** The filing fee may be ordered by the board to be reimbursed to the complainant by the licensee if the licensee is found at fault.

#### **6.2 Initiation:**

- 6.2.1** Any person, organization, agent or employee of the commission or member of the board may file a complaint for cause or provide information to the board, which alleges misconduct by a licensee. The boards' complaint form shall request the name, address, and telephone number of the party filing the complaint and a detailed description of the alleged act(s) which prompted the complaint and must be signed by the complainant or an authorized representative.

#### **6.3 Complaint Forms:**

- 6.3.1** Complaints shall be submitted on complaint forms provided by the Commission. The Commission may require the use of the most recent revision of this complaint form.
- 6.3.2** The complainant shall submit the following information if available:
  - A. The names, address, and telephone number of the complainant;
  - B. The name, address, telephone number, license number of the licensee, and business;
  - C. A detailed description of the alleged act(s);

- D. The date on which the contract was entered into; if the contract was in writing, a copy of the contract shall be attached to the complaint form with the inspection report, and any other reports made by consultants;
- E. Job location;
- F. Counter claims of the inspector, if known;
- G. A certification by the complainant that the statement of complaint is true;
- H. Copies of any adjudication by a court or by binding or non-binding arbitration;
- I. Supportive information, which shall refer to specific violations to the standards of practice, code of ethics and statutes.
- J. Whenever the complainant fails to respond to the Commission's requests for information and documentation within the time period specified by the Commission, the Commission may close the complaint file without file without notice.

## **6.4 Inquiry and Investigation:**

- 6.4.1** After receipt and review of a written complaint, the commission shall conduct or cause to be conducted any reasonable inquiry or investigation it deems necessary to determine the truth and validity of the allegations set forth in the complaint. If an inspection of the property is deemed necessary the licensee, the complainant and the commission or other parties merited may be present. If the commission determines that the complaint is lacking in merit, it may close the complaint.

## **6.5 Request for Response and Boards Response:**

- 6.5.1** If the board or commission determines that a complaint has merit, the board, commission or its agent may request that the licensee who is the subject of the complaint provide a response to the complaint. A licensee may respond to a request for response either personally or through an attorney. A response must address the substantive allegations set forth in the complaint and be provided in writing within a 30 day time period; or request an extension to be granted by the board or commission.

## **6.6 Commission procedure for processing claims**

- 6.6.1** In determining the acceptability for a complaint, the Commission shall determine whether it falls within the parameters outlined in Rhode Island General Law 5-65.1 as to scope, and Commission jurisdiction. Any corrective measures taken by the



complainant prior to contacting the licensee or boards investigative determination of the alleged complaint may result in a dismissal of the complaint.

- 6.6.2** The Commission will provide a copy of all complaints filed to the person(s) against whom the complaint is filed.
- 6.6.3** The Commission reserves the right to inspect the property subject to the complaint. If the complainant refuses access, the Commission may dismiss the complaint permanently.
- 6.6.4** When the Commission determines that a licensee, against whom a complaint has been filed, has breached a contract or performed negligent work; the Commission may recommend a resolution consistent with the terms of the contract or with generally accepted inspection and industry standards.
- 6.6.5** The Commission may propose a settlement to resolve any complaint. If the parties' involved sign a settlement agreement put forth by the Commission, the agreement shall be binding unless breached by either party.
- 6.6.6** Administrative hearings may be held before a hearing officer of the Commission. The complainant must prove negligence, breach of contract, or violation to the statute governing home inspectors has occurred; and that the licensee caused them. If the complainant fails to carry this burden of proof, the Commission will dismiss the complaint.
- 6.6.7** If the complainant, after being properly served notice of the hearing in accordance with these rules, fails to appear at a hearing, the Commission may dismiss the claim, unless it finds that failure to appear was caused by circumstances outside the control of the complainant.
- 6.6.8** If the licensee, after being properly served notice of a hearing in accordance with these rules, fails to appear at a hearing, the Commission will issue a default order based upon the complainant's representation of a prima facie case. The only exceptions will be those situations in which the licensee failure to appear was caused by circumstances outside the licensees control. At the discretion of the Executive Director, if cause is beyond the control of the licensee, a new administrative hearing may be scheduled.
- 6.6.9** Complainant or licensee may challenge and offer evidence to disprove the Commissions' investigative report, if any, at an administrative hearing.

- 6.6.10** Based upon evidence received at the hearing, the hearing officer will prepare findings of fact and conclusions of law, and will issue a proposed order. The proposed order may determine if the licensee engaged in the conduct alleged and the appropriate penalty, including requiring the licensee to take training or education courses, probation, letter of reprimand, or license suspension or revocation; and the order may set forth any conditions that must be met in order to remove the suspension or probation, to reissue the license, or to issue the license.
- 6.6.11** The record of the Commission hearings will include a tape recording of the proceeding. Tape recordings more than thirty (30) days beyond the end of the 30 day appeal period, following the issuance of the Commissions' final order will be discarded, except when the petition for judicial review to the Court of Appeals has been timely filed. Any additional cost incurred due to service or processing of the final order may be the responsibility of the party found at fault inclusive of fees for a professional court reporter and transcripts. A 24-hour cancellation notice shall be required in all cases and the party or parties responsible for the cancellation shall be responsible for any cancellation fees charged by a professional court reporter.
- 6.6.12** Transcript costs shall include the cost of an original for the Board. An attorney requesting a transcript on behalf of a party shall be a guarantor of payment of the cost. Cost shall be determined under supervision of the presiding officer who in cases deemed to be appropriate by him or her may require an advance security deposit to cover the prospective cost. The security deposit shall be applied to the actual cost and any excess shall be returned to the party that submitted it.
- 6.6.13** Throughout the processing of a complaint, the complainant has the responsibility to pursue the complaint and to respond in a timely manner to requests from the Commission for information or documentation. Failure of a complainant to respond to correspondence from the Commission, or to provide requested information or documentation within a time frame specified in that correspondence or request, may result in closure of the complaint filed by the Commission without further notice to the complainant.
- 6.6.14** Any person who violates a final order of the board shall be deemed guilty of a misdemeanor and, upon conviction, may be imprisoned for a term not exceeding one (1) year, or fined not more than one thousand dollars (\$1,000.00) for each offense.

## **6.7 Informal Conference:**

- 6.7.1** To facilitate disposition, the commission may request any person to attend an investigative conference to discuss the complaint and respond at any time prior to the commencement of a formal hearing.

## **6.8 The Commission's right to refuse and/or dismiss claims:**

- 6.8.1** The Commission may, discontinue processing a complaint whenever it determines that the issues involved are more suited to adjudication by a court.
- 6.8.2** The Commission may resume processing a complaint which has been previously discontinued due to the fact that it was submitted to a court, arbitrator or other entity if:
  - A. The complainant submits copies of all final decisions or judgements rendered by the court or other entity together with the complaint or other pleadings used in the case. Said data must be submitted within 60 days of the final action. The Board may then act on the license and fine after having provided notice and opportunity for a hearing. The complainant or licensee shall provide the Commission with a copy of the filed civil complaint.
- 6.8.3** The Commission may refuse to accept a complaint if the facts and issues of the complaint are the same as those in a complaint previously filed and subsequently disposed.

## **6.9 Exceptions to Commission Orders:**

- 6.9.1** Complainant or licensee may file written exceptions if they believe that the Commission has made a procedural error or that the proposed order is not supported by evidence received at the hearing or for any other reason. To be considered, the Commission within 20 days of the date of mailing of the proposed order must receive exceptions, accompanied by a non-refundable \$20.00 processing fee. If written exceptions are not timely received, the Commission may issue a final order.
- 6.9.2** If exceptions are timely received, the matter will be set for consideration by the members of the Board at their next regular meeting for which agenda space is available. Copies of exceptions filed will be mailed to the other side who may respond to the exceptions. Response and any written argument for or against the proposed

order will be accepted up to the Board meeting date if the original exceptions were timely received.

- 6.9.3** Complainant and licensee, and/or their attorney(s) may appear before the members of the Board to argue for or against the proposed order. Oral argument will be permitted only if the original exceptions were timely received.
- 6.9.4** At the meeting, members of the Board, inclusive of at least one home inspector member, will consider evidence received at the hearing and exceptions and written or oral argument for or against the proposed order, but the Board will not consider new or additional evidence. Time allowed for oral argument before the members of the Board may be limited to ten minutes for each side.
- 6.9.5** The members of the Board may affirm the proposed order and findings of fact, modify either or both, or send the case back to a new hearing. Unless the case is sent back to a new hearing, the Commission will issue a final order after the Board meeting.
- 6.9.6** Final orders, which have been appealed, are subject to judicial review as set forth in the Administrative Procedures Act, Chapter 42 35 of the General Laws.
- 6.9.7** The Board will also hear motions to vacate or other motions as long as relative to RI General Law 5-65.1 et el.
- 6.9.8** The Board shall not consider services that are under the jurisdiction of another regulatory agency or licensing board such as: termite inspections, appraisals, services rendered by a licensed architect, engineer, or general contractor.

## **DIVISION 7 - PROFESSIONAL COMPETENCE AND CONDUCT**

### **7.0 Professional Competence and Conduct**

#### **7.1 Civil Penalties:**

- 7.1.1** If the Commission proposes to assess a civil penalty, it shall issue and serve on the licensee a proposed order, giving the opportunity for a hearing.
- 7.1.2** If the Commission issues a proposed order and no written request for a hearing is received by the Commission within 20 days of the date of mailing the proposed order, the Commission may issue a final order as proposed.
- 7.1.3** If the Commission issues a proposed order and a written request for a hearing is timely received, the Commission will set an Administrative hearing to determine whether the licensee has violated any provision of Chapter 5- 65.1 or of these rules, and if so, the amount of the civil penalty to be assessed.
- 7.1.4** A notice of hearing may contain the amount of the civil penalty proposed by the Commission. The Commission shall not issue a final civil penalty order in an amount greater than that shown in the notice of hearing.
- 7.1.5** Administrative hearings may be held before a hearing officer of the Commission. The Commission's evidence may be entered into the record by the hearing officer, or by another representative of the Commission. If the licensee fails to appear at the hearing, nevertheless, the Commission must present a prima facie case.
- 7.1.6** Based on evidence received at the hearing, the hearing officer will prepare findings of fact and conclusions and make recommendations to the Commission for disposition of the case. The Commission, after review of the findings of fact and conclusions, will issue a proposed order assessing a civil penalty in a specified amount or dismiss the matter.
- 7.1.7** The licensee may file written exceptions, if the licensee does not believe the evidence received at the hearing supports the proposed order. To be considered, the Commission within 20 days of the date of mailing of the proposed order must receive exceptions. If written exceptions are not timely received, the Commission may issue a final order as proposed.

- 7.1.8** If exceptions are timely received, the matter will be set for consideration by the members of the Board at their next regular meeting, for which agenda space is available. Written argument in opposition to the proposed order will be accepted before the Board meeting date if the original exceptions were timely received.
- 7.1.9** The licensee, and/or the respondents' attorney, may appear before the members of the Board to argue against the proposed order, if the Commission receives written notice of intent to do so before the Board meeting date. Oral argument will be permitted if the original exceptions were timely received.
- 7.1.10** At the meeting members of the Board will consider evidence received at the hearing and exceptions and written or oral argument relative to the proposed order, but the Board will not consider new or additional evidence.
- 7.1.11** The members of the Board may affirm the proposed order and finding of fact, modify either or both, or send the case back to a new hearing. Unless the case is sent back to a new hearing, the Commission will issue a final order after the Board meeting.
- 7.1.12** Time allowed for oral argument, before members of the Board, may be limited to 10 minutes.
- 7.1.13** A civil penalty order is due and payable on the date of the final order.
- 7.1.14** The Commission may initiate its own collection proceedings as allowed by law.
- 7.1.15** Interest will accrue in assessed penalties. Interest will accrue from the date of the final order, but will not be added to the civil penalty amount until 70 days after the final order date, unless appealed.
- 7.1.16** The Commission may revoke the license of any home inspector who fails to pay on demand a civil penalty, which has become due and payable.

## **7.2 Schedule of Fines**

- 7.2.1** The Commission may assess fines according to the following schedule:
- A. \$500.00 for the first offense for advertising or submitting a bid to do work as a licensed home inspector or associate in violation of 5-65.1 and regulations. Fine may be reduced at the Commission's discretion, if the licensee withdraws the advertisement.

- B. \$500.00 for the first offense for advertising or submitting a bid to do work as a home inspector in violation of regulation, when one or more previous violations have occurred; and
- C. \$500.00 for the first offense for performing work as a home inspector in violation of section 5-65.1 if the home inspector is licensed within a specified time; and
- D. \$500.00 for the first offense for performing work as a home inspector in violation of section 5-65.1 when a complaint is filed for damages, negligent work, violation to the standards of practice, or code of ethics. Fine may be reduced, at the Commissions discretion, to not less than \$100.00, if the home inspector settles or makes reasonable attempts to settle the dispute; and
- E. \$500.00 for performing work as a licensed home inspector in violation of section 5-65.1, when one or more violations have occurred; and
- F. \$500.00 for the first offense for hiring a non-licensed home inspector or home inspection company; and
- G. Failure to list with the Board a business name, under which business as a home inspection company is conducted, in violation of regulations: first offense, \$50.00; second offense, \$100.00, subsequent offenses, \$200.00.
- H. Altering a license card or using another license number shall result in a \$1,000.00 fine.

## **DIVISION 8 - EXAMINATIONS**

### **8.0 Examination:**

An applicant must pass an examination, approved by the Board and administered at least twice a year. This exam will be “The National Home Inspector Examination” (NHIE), developed by the Examination Board of Professional Home Inspectors (EBPHI); and administered by Assessment Systems, Inc. (ASI), national test administration provider assuring quality control, security, and psychometrically sound and accurate testing or any other examination provider approved by the board. In addition a business and law examination will be required when approved by the board. This will establish a minimum competency standard for home inspectors, in the State of Rhode Island, to assure that the board certified home inspector is able to perform the essential duties of a home inspection.

### **8.1 Cost:**

The cost of examinations, arrangements to schedule the examination, and any other special conditions, will be the responsibility of the applicant.

### **8.2 Scoring:**

A passing grade will be established and appeal rights available upon request, prior to exiting testing facility subject matter is validated by experts in the industry and reviewed annually.

### **8.3 Content:**

This competency-based examination includes the following content areas:

#### **Competency-based Content Areas**

- 8.3.1** Structural components;
- 8.3.2** Exterior;
- 8.3.3** Roofing;
- 8.3.4** Plumbing;
- 8.3.5** Heating;
- 8.3.6** Cooling;
- 8.3.7** Electrical;
- 8.3.8** Insulation and Ventilation;
- 8.3.9** Interiors;
- 8.3.10** Fireplaces and Solid Fuel-Burning Appliances
- 8.3.11** Professional Practice.



## **8.4 Examinations:**

Examination will consist of multiple-choice questions, and the applicant, upon completion, will be advised of examination results. Upon passing the examination and completing the application, with the proper insurance certificates and fee, the Board will review the application and notify the applicant within twenty-one (21) days of his/her status.

- 8.4.1** If the applicant fails the examination, a re-take is possible, but there is a thirty- (30) day waiting period. The applicant will be responsible for all appropriate fees for re-examination.

## **8.5 Study Aids:**

EBPHI can be contacted at 932 Lee Street, Suite 202, Des Plaines, IL 60016, to request these study aids, or any other study aids that become available.

- 8.5.1** The National Home Inspector Examination Study Outline lists the topics that may appear on the NHIE.
- 8.5.2** Suggested Readings and References, offers title authors and publishers of materials that may be of help in preparing for the examination.

## **DIVISION 9 - CONTINUING EDUCATION**

### **9.0 Continuing Education Requirements:**

- 9.1.1** Licensed home inspectors are required, as a condition of the license renewal, to complete a minimum of 24 CEU of continuing education activities per continuing education period. A continuing education period consists of the 24 months prior to each renewal date obtained through board recognized CEU program. Only those continuing education activities, which are completed during the required continuing education period (24 months prior to each renewal date) will be acceptable as qualifying continuing education activities for that period. All continuing education activities, other than Board approved programs, are subject to approval by the Board.

### **9.2 Inactive License:**

- 9.2.1** A person holding an inactive license is not subject to this Section. In order to change a license from inactive status to active status, the licensee must complete the same number of continuing education credit hours that would have been required for an active license during the period of inactive status; but not more than 24 credit hours.

### **9.3 Approved Courses:**

- 9.3.1** The Board may accept courses approved by the following organizations:

ASHI - American Society of Home Inspection;  
NAHI - National Association of Home Inspection;  
SPRIE - Society of Professional Realities Inspection;  
AAHI - American Associate of Home Inspection;  
HIIA - Home Inspection Institute of America;  
RIAHI - RI Association of Home Inspectors.

- 9.3.2** The Board must be provided certification of attendance by the sponsor. In addition to this list, the Board may approve other courses or organizations.

### **9.4 Continuing Education Activities:**

The following list provides additional CEU's.

\*Alternate Education Courses: such as those provided by other college or universities, meeting and seminars, building code courses, public affairs media presentations.

## **9.5 Verification/Approval of Continuing Education Activities:**

**9.5.1** The Board will require an affidavit to be submitted by licensee at the time of renewal, attesting to the satisfaction of the continuing education requirements. For each CEU earned by the participation in a continuing education activity, a licensee must provide the following:

- A. Title of activity;
- B. The number of hours spent in the activity;
- C. The name of the Board recognized entity or academic institution that sponsored the activity;
- D. Dates and location the activity was held.

**9.5.2** In order to receive credit from the Board for completion of continuing education activities, the activity must be directly related to the practice of home inspection. Instructors of courses, workshops, or seminars may be credited one contact hour for each continuing education hour of activity taught by the instructor.

## **9.6 Extensions of Time:**

**9.6.1** A licensee may request and be granted an extension of time to satisfy the continuing education requirement for a particular license period, if the licensee provides evidence to the Board that the licensee was unable to obtain the necessary education because of an incapacitating illness or other circumstance that:

- A. Existed for a substantial portion of the license period;
- B. Constituted a severe and verifiable hardship; Made it impossible or unreasonably burdensome to comply with the continuing education requirement;

## **9.7 Denial or Withdrawal of Credit:**

A. The Board shall deny continuing education credit claimed by a licensee, and shall withdraw continuing education credit previously awarded by the Board to a licensee if:

- 1. The licensee intentionally or unintentionally provided incorrect or incomplete information to the Board concerning continuing education or compliance with this section; or
- 2. The licensee was mistakenly awarded continuing education credit because of an administrative error; or
- 3. The licensee failed to comply with the attendance requirement of the course.

- B. When continuing education credit is denied or withdrawn by the Board under paragraph A (1) or A (2) of this rule, the Board shall, upon request of the licensee, grant the licensee an extension of time to satisfy the continuing education requirement. When continuing education credit is denied or withdrawn by the Board under paragraph A (3) of the rule, the licensee remains responsible for satisfying the continuing education requirement.